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REPORT OF THE SECRETARY-GENERAL ON HIS MISSION OF GOOD OFFICES IN CYPRUS

1. The present report on my mission of good offices in Cyprus is being submitted pursuant to the request by the members of the Security Council that I report by April 1992 whether sufficient progress has been made to convene the high-level international meeting and, should conditions not be ripe, to convey to the Council the set of ideas as they will have evolved by that time with my assessment of the situation (S/23316).

2. The report is divided into three parts. In the first part, I propose to describe the effort to prepare a set of ideas of an overall framework agreement; the second part is devoted to the ideas that have been discussed; and finally in the third part, I will submit my conclusions and recommendations.

A. The effort to date

3. The members of the Council will recall that after the 26 February to 2 March 1990 meeting between the leaders of the two communities in Cyprus and my predecessor did not result in progress, the Council adopted resolution 649 (1990) of 12 March 1990. After considering his report (S/21183), the Council made it clear once again that the solution it foresaw was one based on the existence of one State of Cyprus comprising two communities; and that the objective was a new constitution for the State of Cyprus that would regulate the relations between the two communities in Cyprus on a federal, bi-communal and bi-zonal basis. The Council reiterated that the Secretary-General's mission of good offices was specifically with the two communities which participated on an equal footing. It requested the Secretary-General to pursue his effort and to assist the two communities by making suggestions to facilitate the discussions. Both sides affirmed their full commitment to resolution 649 (1990).

4. During the second half of 1990, separate discussions were initiated between the representatives of the Secretary-General and the leaders of the two communities to explore ideas that could bring the two sides within agreement range on each of the following headings and subheadings of an overall agreement:

(a) Overall objectives of the agreement;

(b) Guiding principles of the federation;

(c) Constitutional aspects of the federation:

(i) Powers and functions of the federal Government;

(ii) Structure, composition and functioning of the federal Government;

(iii) Fundamental rights, including the three freedoms, and political, economic, social and cultural rights;

(d) Security and guarantee;

(e) Territorial adjustments;

(f) Displaced persons;

(g) Economic development and safeguards;

(h) Transitional arrangements.

It was recognized that in view of the integrated nature of an agreement, all the headings had to be spelled out with equal clarity and needed to be developed in parallel, and agreement would not be sought until that had been achieved.

5. By 27 March 1991, it was possible to report to the members of the Council that the talks, which had been supported by discussions between one of the representatives of the Secretary-General and a senior official of the Ministry of Foreign Affairs of Turkey, had been useful both in highlighting the issues of particular importance to each side and in identifying ways of bringing the legitimate concerns and interests on a number of issues within agreement range.

6. In the course of these discussions the Turkish Cypriot side had stressed in particular the importance of bi-zonality, political equality, its effective participation in the federal Government, and security, which are dealt with under the headings overall objectives, guiding principles, constitutional aspects of the federation, and security and guarantee respectively. The Greek Cypriot side had emphasized mainly the territorial issue, the displaced persons, the effective functioning of the federal Government, and security, which are dealt with under the headings territorial adjustments, displaced persons, constitutional aspects of the federal Government, and security and guarantee respectively.

7. It was noted that the clarifications that had emerged in the course of the discussions should make it possible to bring the two sides within agreement range, in particular on the overall objectives, the guiding principles and security and guarantee.

8. On the other hand, it was stressed that there were a number of issues on which solutions remained to be explored, in particular, territorial adjustments and displaced persons. The main questions arising from these issues are the area that would come under Greek Cypriot administration and the displaced persons from one community who may reside in the area to be administered by the other community. In March 1991 it was felt that an agreement should be within reach if it was possible to move forward on the issues of territorial adjustments and displaced persons. It was thought that this could be achieved within a few months.

9. On 27 June 1991, the members of the Council were informed that the discussions that had taken place since March 1991 had not succeeded in advancing on the outstanding issues. The idea of a high-level meeting that President Ozal of Turkey had proposed the previous month was viewed with favour provided it was thoroughly prepared to ensure its success. It was underlined that a satisfactory solution had to be within reach on all eight headings of an agreement and it was again stressed that progress was urgently needed on territorial adjustments and displaced persons. It was also noted that the position of the two sides remained apart on the question of the federal executive. As will be recalled, the members of the Council concurred with that assessment and they agreed that a further round of talks be undertaken in July and August to bring the two sides within agreement range on all the outstanding issues.

10. In the course of the talks between July and September at Nicosia, Ankara and Athens, the representatives of the Secretary-General continued the process of seeking reactions and suggestions on the basis of which the ideas were further elaborated and amended in an effort to reflect in a reasonable and fair manner the legitimate interests and concerns of both sides. At the conclusion of the August 1991 talks at Ankara, it was apparent that, although the two sides remained apart on some issues and the territorial adjustments remained to be further defined, the set of ideas that had emerged represented an important step forward which should provide the basis for working out an agreement. However, in the report of 8 October 1991 (S/23121), it was explained that the expectations that a high-level meeting would take place in September to conclude an overall framework agreement were not fulfilled.

11. In resolution 716 (1990), the Security Council noted with satisfaction the progress made in preparing a set of ideas but expressed its concern about the difficulties that had been encountered in completing this work. It, inter alia, reaffirmed its previous resolutions and that its position on the solution to the Cyprus problem was based on one State of Cyprus comprising two politically equal communities. In that connection, the Council endorsed the following definition of political equality (S/21183, annex I):

> "While political equality does not mean equal numerical participation in all federal Government branches and administration, it should be reflected inter alia in various ways: in the requirement that the federal constitution of the State of Cyprus be approved or amended with

the concurrence of both communities; in the effective participation of both communities in all organs and decisions of the federal Government; in safeguards to ensure that the federal Government will not be empowered to adopt any measures against the interests of one community; and in the equality and identical powers and functions of the two federated states."

12. The Council requested the leaders of the two communities and Greece and Turkey to cooperate fully with the Secretary-General and his representatives and requested the Secretary-General to report by November 1991 whether sufficient progress had been made to convene the high-level meeting. The Council will recall that because of the parliamentary elections in Turkey and the subsequent change of Government in Turkey, the talks called for in resolution 716 (1991) could not be resumed before the end of 1991.

13. On 9 January 1992, I wrote to the leaders of the two communities and to he Prime Ministers of Greece and Turkey underlining the importance I attached to an early settlement to the Cyprus question and the need to proceed expeditiously to complete the work requested by the Security Council. To this end, I proposed that my representatives resume talks with the leaders of the two sides in Cyprus and with Greece and Turkey.

14. On 20 and 21 January 1992, I met with President Vassiliou and H.E. Mr. Denktaş respectively to review the Cyprus question. I stressed the importance of maintaining the momentum that had been achieved in 1991 and reiterated the need to proceed expeditiously with the work at hand. Both leaders responded positively to my proposal that they resume discussions with my representatives in February. On 13 and 16 February, I received replies from Prime Minister Mitsotakis of Greece and Prime Minister Demirel of Turkey respectively agreeing to the visit of my representatives. I also had the opportunity to discuss the Cyprus question with Greek Foreign Minister Samaras on 24 January and with Turkish Prime Minister Demirel on 14 February who both assured me of their Governments' full support.

15. My representatives undertook a first round of talks in Cyprus from 5 to 9 February. They had several meetings with President Vassiliou, during which they discussed the most recent ideas for each of the eight headings and accompanying goodwill measures. Owing to his illness, a similar discussion could not take place with H.E. Mr. Denktaş. From 18 to 20 February, my representatives visited Ankara, where they met with Turkish Foreign Minister Çetin and other senior Turkish officials to review the set of ideas. From 25 to 27 February, they were in Nicosia where they discussed the ideas with H.E. Mr. Denktaş. They also briefed the leaders of the two communities on the views expressed by the other side. Finally, on 28 and 29 February, my representatives were in Athens, where they had a similar meeting with Foreign Minister Samaras and other senior officials. Unfortunately, these talks did not succeed in bringing matters forward. The difficulties that were described in the report of 8 October 1991 (S/23121) remained unchanged.

16. On 26 and 30 March 1992, I again reviewed the situation with President Vassiliou and H.E. Mr. Denktaş respectively. Both leaders told me of their desire to continue to work with me and my representatives. I recalled that last summer it had appeared that an agreement was within reach but since then these expectations had been disappointed. Not only had there been no progress, but in some areas there had even been regression.

B. The set of ideas

17. The set of ideas described below that emerged from the talks in 1991 provide the elements of a fair solution on a significant number of elements of the overall agreement. If similar progress can be made on the outstanding issues, in particular territorial adjustments and displaced persons, an overall solution will be within reach.

18. The ideas incorporate the agreed understandings that underlie a solution, namely:

> "Cyprus is the common home of the Greek Cypriot community and of the Turkish Cypriot community. Their relationship is not one of majority and minority, but one of two communities in the State of Cyprus. The mandate given to me by the Security Council makes it clear that my mission of good offices is with the two communities. My mandate is also explicit that the participation of the two communities in this process is on an equal footing. The solution that is being sought is thus one that must be decided upon by, and must be acceptable to, both communities. It must also respect the cultural, religious, social and linguistic identity of each community.
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> "The 1977 and 1979 high-level agreements between the two communities, as well as the mandate entrusted to me by the Security Council, have set out the framework within which a solution must be found. The two communities and the Security Council have committed themselves to a solution that will ensure the sovereignty, independence, territorial integrity and non-alignment of Cyprus. The two communities have, in the 1979 high-level agreement, specifically rejected as options union in whole or in part with any other country and any form of partition or secession. The two communities have stated that they wish to establish a federation that is bi-communal as regards the constitutional aspects and bi-zonal as regards the territorial aspects." 1/

19. They also embody the concept of the political equality of the two communities endorsed by the Security Council in resolution 716 (1991) (see para. 11 above).

20. The bi-zonality of the federation is reflected in the fact that each federated state would be administered by one community which would be guaranteed a clear majority of the population and of land ownership in its area. It is also reflected in the fact that the federal Government would not be permitted to encroach upon the powers and functions of the federated states, nor could one federated state encroach on the powers and functions of the other.

21. The unity of the country is ensured through the State of Cyprus' single international personality and sovereignty as well as its single citizenship, and the preservation of its territorial integrity.

22. The powers and functions of the federal Government as foreseen would ensure the effective participation of the two communities as well as the effective functioning of the Government, and would include appropriate deadlock-resolving machinery. It envisages a bicameral legislature with the lower house having a 70 to 30 ratio between Greek Cypriots and Turkish Cypriots and a 50 to 50 ratio in the upper house. The option of separate majorities in the lower house for certain major issues was also discussed. As part of the federal executive, a council of ministers was discussed in which the Greek Cypriots and the Turkish Cypriots would be represented on a 7 to 3 ratio, with one of three major ministries headed by a Turkish Cypriot. It is also envisaged that all powers not vested in the federal Government would rest with the two federated states.

23. Provisions were discussed that would safeguard the fundamental rights of all citizens, including their political, economic, social and cultural rights. Accordingly, these rights would be recognized in the federal constitution and implemented by the federated states in a manner agreed upon consistent with the federal constitution. The freedom of movement would be exercised as soon as the federal republic was established. The freedom of settlement and the right to property would be implemented after the resettlement arising from the territorial adjustments had been completed and would be regulated by the federated states in an agreed manner consistent with the federal constitution.

24. The security of both communities would be guaranteed through the 1960 Treaties of Guarantee and of Alliance, each of which would be appropriately supplemented. It would provide for the withdrawal, by the establishment of the federal republic, of all non-Cypriot forces not foreseen in the Treaty of Alliance, and machinery to deal effectively with any concern of either community.

25. As has been mentioned above, urgent work remains to be done on territorial adjustments and displaced persons. The elements on displaced persons that have been discussed should provide the essence of a solution. The question of territorial adjustments needs to be addressed without delay. This matter would be reflected in the overall framework agreement through a map that would delineate the two federated states so that a substantial number of Greek Cypriot displaced persons would be able to return to the area that

would come under Greek Cypriot administration. It would also address effectively the needs of Turkish Cypriots that would be affected by the territorial adjustments.

26. Provisions have been discussed for the development of a balanced economy that would benefit equally both federated states. A major programme of action would be established to correct the existing economic imbalance and promote the development of the federated state administered by the Turkish Cypriot community. The question of membership in the European Communities would be submitted for the approval of the two communities in separate referendums.

27. Finally, transitional arrangements to implement the overall framework agreement and procedures that would be applied during that period that are sensitive to the concerns of both communities have been discussed. A programme of action to promote goodwill and closer relations between the two communities would be implemented as soon as the overall framework agreement had been approved by the two communities in separate referendums.

C. Conclusions and recommendations

28. The effort to prepare a set of ideas on an overall framework agreement has now been under way for several years. As far back as a year ago, it had been concluded that if the issues of territorial adjustments and displaced persons could be adequately clarified, an overall agreement should be within reach. Following the discussions at Ankara in August 1991, justifiable expectations had been raised that an agreement was finally within reach and that the high-level meeting to conclude the agreement could take place in September 1991. As was explained in the report of 8 October 1991 (S/23121), these hopes were disappointed. Despite assurances of support from all concerned, the renewed effort in February 1992 proved equally unhelpful.

29. Despite repeated efforts, there has been no progress and, as I have mentioned above, in certain areas there has even been regression. This is a matter of serious concern. The current effort cannot be expected to continue indefinitely if all concerned are not willing to make their contribution to a compromise solution. It is vital that the parties be willing to clarify equally all the elements of the agreement and adhere faithfully to the principles laid down by the Security Council. As was pointed out a year ago, the usefulness of the parties' endorsement of Council resolutions has been undermined by the interpretations they have given them. It is essential that the views of the parties be in harmony with the Council's position on the Cyprus question.

30. The lack of progress in the Secretary-General's mission of good offices is compounded by developments related to the United Nations Peace-keeping Force in Cyprus (UNFICYP), which make it unlikely that the United Nations will be able for much longer to maintain a peace-keeping presence in Cyprus, at any rate on the present scale.

31. Since 1974, UNFICYP has been remarkably successful in controlling the buffer zone and preventing a resumption of hostilities. Over the years, however, the troop-contributing Governments have become increasingly uneasy about the lack of progress towards a just and lasting solution and about the deteriorating financial situation of the Force. These factors led Sweden to withdraw its battalion in 1987. The Security Council's attention has been repeatedly drawn to the inadequacy of voluntary financing and it has been recommended that the cost of the Force for which the United Nations is responsible should be funded from assessed contributions. An exhaustive review of UNFICYP in 1990 came to the conclusion that no further reductions in its strength could be made without impairing its ability to control the buffer zone and to prevent minor incidents from escalating. On the basis of the review, and with the cooperation of the troop-contributing Governments, a restructuring of the Force was proposed, which would have reduced its cost to the United Nations by some 30 per cent without impairing its operational effectiveness. A draft resolution (S/23277) was tabled by which the Security Council would have decided that in the future the cost of the Force for which the United Nations is responsible be funded by assessed contributions but, in informal consultations on 12 December 1991, it was concluded that the necessary agreement did not exist in the Council for this change to be made.

32. In the light of this conclusion, the troop-contributing Governments' dissatisfaction has increased further. Two of the four main contributors have indicated that it is unlikely that they will be able to maintain their presence for more than another mandate period and a third has informed me that it was re-examining its role in the Force. If any troop-contributing country withdraws its battalion, I do not believe that it will be possible to find another Member State ready to bear the cost of filling the gap under the present financing arrangements. It thus seems unlikely that I shall be able to maintain UNFICYP in its present form beyond the end of the current year. I am examining alternative possibilities and will report on them to the Council during the course of May.

33. Quite apart from the very unsatisfactory financing arrangements, the position of troop-contributing Governments reflect the widely held view, which I share, that at a time of greatly increased demand for peace-keeping, a critical look has to be taken at long-lived operations such as UNFICYP and the peace-making process it supports. If a Force has for 28 years maintained conditions in which a peaceful settlement to a dispute can be negotiated but negotiations have not succeeded, it has to be asked whether that Force has a priority claim on the scarce resources that Member States can make available to the Organization's peace-keeping activities. This serious situation makes it all the more urgent that all concerned devote their full energies to making progress toward an early settlement to the Cyprus question.

34. The set of ideas, provided it clarifies adequately the outstanding issues, in particular territorial adjustments and displaced persons, would offer a fair basis on which an agreement can be concluded. I believe that another determined effort, which I am prepared to undertake, would be greatly helped if the Security Council would agree to support actively my effort and to work directly with me and my representatives and all concerned to achieve our objective. If that effort does not succeed, consideration would have to be given to an alternative course of action in dealing with the Cyprus question.

Notes

1/ S/21183.